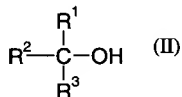


## AMENDMENTS TO THE CLAIMS

Claim 1. (Currently Amended) A process for the preparation of 3-isochromanone which comprises contacting an o-xylene- $\alpha,\alpha'$ -dihalide with carbon monoxide, in the presence of a palladium catalyst and ~~a hindered amine base~~ N,N-diisopropylethylamine in a liquid medium comprising water and a tertiary alcohol, the molar ratio of N,N-diisopropylethylamine:o-xylene- $\alpha,\alpha'$ -dihalide being in the range of 10:1 to 1:1 and the molar ratio of water:tertiary alcohol being in the range of 1:1 to 20:1.

Claim 2. (Original) A process according to claim 1 in which the o-xylene- $\alpha,\alpha'$ -dihalide is o-xylene- $\alpha,\alpha'$ -dichloride.

Claim 3. (Currently Amended) A process according to claim 1 ~~or 2~~ in which the tertiary alcohol is an alcohol of formula (II):



in which  $\text{R}^1$ ,  $\text{R}^2$  and  $\text{R}^3$  are independently  $\text{C}_{1-8}$  alkyl, one or more of  $\text{R}^1$ ,  $\text{R}^2$  and  $\text{R}^3$  being optionally substituted with a phenyl ring or a hydroxyl group, the hydroxyl group being attached to a carbon atom which is itself directly attached to three other carbon atoms.

Claim 4. (Original) A process according to claim 3 in which the tertiary alcohol is tert-amyl alcohol or tert-butanol.

Claim 5. (Cancelled)

Claim 6. (Original) A process according to claim 3 in which the molar ratio of water:o-xylene- $\alpha,\alpha'$ -dihalide is in the range of 100:1 to 1:1.

Claim 7. (Cancelled)

Claim 8. (Cancelled)

Claim 9. (Cancelled)

Claim 10. (Cancelled)

Claim 11. (Currently Amended) A process according to claim 3 1 in which the palladium catalyst is present in the amount of 0.000001 to 0.5 mole equivalents of the o-xylene- $\alpha,\alpha'$ -dihalide.

Claim 12. (Currently Amended) A process according to claim 4 1 in which a triphenylphosphine ligand is used in combination with the palladium catalyst in the range of from 1 to 200 mole equivalents of phosphorous to palladium.

Claim 13. (Original) A process according to claim 12 in which the triphenylphosphine ligand and palladium catalyst are used in a preformed mixture.

Claim 14. (Previously Presented) A process according to claim 3 in which there is present a phase transfer catalyst.

Claim 15. (Previously Presented) A process according to claim 3 which is carried out at a temperature of from 20°C to 200°C.